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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,333	04/06/2001	Syed K. Quraishi	62225-160	2977

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MCDERMOTT, WILL & EMERY  
600 13th Street, N.W.  
Washington, DC 20005-3096

EXAMINER
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CHENCINSKI, SIEGFRIED E

ART UNIT	PAPER NUMBER
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3691

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06/03/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/827,333	<b>Applicant(s)</b> QURAISHI ET AL.	
	<b>Examiner</b> SIEGFRIED E. CHENCINSKI	<b>Art Unit</b> 3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 08 January 2008.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 6-13, 16, 17, 22 and 24 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 6-13, 16, 17, 22 and 24 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)             | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

## DETAILED ACTION

### 1. Status of Claims

Amended claims 6-13, 16, 17, 22 and 24 are now active for prosecution.

### Applicant Admitted Prior Art

2. Applicant has admitted that the items for which the examiner took Official Notice in rejecting dependent claims 7 -13 in the last Office Action were prior art at the time of Applicant's invention. Accordingly these items are now Applicant Admitted Prior Art (hereafter AAPA). MPEP 2104 C 2nd parag. - AAPA - Applic. Admission due to lack of or inadequate Travelsal:

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate.

These AAPA features are:

**Re. Claim 7**, in which the assigned scope of application level specifies a specific account.

**Re. Claim 8**, in which the assigned scope of application specifies a specific registered representative.

**Re. Claim 9**, in which the assigned scope of application is level specifies a specific office.

**Re. Claim 10**, in which the assigned scope of application level specifies a specific firm.

**Re. Claim 11**, in which the assigned scope of application is set to the global level.

**Re. Claim 12**, in which a rule is accompanied by a message to be sent when a rule is violated.

**Re. Claim 13**, in which the text of said message can be changed by a user for a selected level.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**3. Claims 6, 16, 17, 22 & 24, are rejected** under 35 U.S.C. 103(a) as being unpatentable over Stein et al. (US Patent 5,978,779, hereafter Stein).

**Re. Claims 6, 16, 22 & 24**, Stein discloses a method, system, rules engine and program storage device for processing a transaction containing an order for execution. Even though Stein does not exactly disclose Applicant's specific descriptions, Stein's method, system, device, apparatus and program storage device do cover Applicant's invention, with the method being exemplary, comprising the steps of:

- accessing a plurality of rules, each respective one of the rules having a preset scope of application specifying a scope of source of transactions for which the respective rule should apply to all transactions from any source within the specified scope (Col. 3, l. 23 – Col. 4, l. 24; Col. 2, ll. 25-29, 39-43 covering a global financial services organization; Col. 11, l. 66 – Col. 12, l. 7; Stein uses the word “rules” and synonyms thereof such as the words “constraints”, “logic” and “protocols” interchangeably in Applicant's meaning of “rules”); and
- checking the transaction containing the order to determine whether or not to execute the order contained in the transaction by first applying rules having application scope specifying a specific account, then applying rules having application scope specifying a specific registered representative, then applying rules having application scope specifying a specific office, then applying rules having application scope specifying a specific firm and then applying rules having

application scope applicable to transactions from all sources. (pre-defined and universally applied protocols – Col. 2, ll. 28-29; rules hierarchy – col. 3, l. 36; Hierarchical protection – Col. 7, ll. 9-12; Internal and external/Governmental rules and relationships stored in the document library – Col. 5, l. 6-23).

Independent system claims 22 and 24 do not differ in substance, merely differentiating themselves by focusing on the two types of transactions available in Applicant's invention. Claim 22 is limited to order execution transactions and claim 24 is limited to asset transfer transactions. Both claims are limited to the identical invention's procedures and rules. Claim 24 adds two obvious detail steps regarding a rule having an assigned outcome selected from a plurality of outcomes, such outcomes being adjustable from a plurality of preset outcomes based on a user setting. Stein discloses both types of transactions of order execution (Col. 2, ll. 44-45 – buying and selling) and asset transfers between accounts (Col. 2, ll. 45 – distribution; Col. 3, l. 52; Col. 5, ll. 19-20; Col. 6, ll. 28-30; Col. 8, l. 17), and also discloses user settings (Col. 2, ll. 25-36, 39-43; Col. 5, ll. 25-27; Col. 7, ll. 10-13).

Applicant defines "scope" as a hierarchical "level" (Fig. 5, 520). Page 8, ll. 6-21 of the specification supports and explains this definition. Hence, generically, level and scope are interchangeable expressions representing a hierarchical organization concept having four levels, from a particular account to the broker-dealer firm itself. This and the additional words added by amendment have not changed the patentable meaning of these claim limitations under the obviousness statute.

It would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have used the disclosure of Stein to produce Applicant's invention of a method, system, device, apparatus and program storage device for processing a transaction containing an order for execution, motivated by a desire to create a unified infrastructure for control and data transfer to a plurality of function and task specific applications (Stein, Col. 2, ll. 18-21).

**Re. Claim 17**, Stein discloses compliance rules (Col. 5, ll. 8-11).

4. **Claims 7-13 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Stein in view of AAPA.

**Re. Claims 7-13**, AAPA discloses:

**Re. Claim 7**, in which the assigned level of scope of application of an applied rule specifies a specific account.

**Re. Claim 8**, in which the assigned level of scope of application of an applied rule specifies a specific registered representative.

**Re. Claim 9**, in which the assigned level of scope of application of an applied rule specifies a specific office.

**Re. Claim 10**, in which the assigned level of scope of application of an applied rule specifies a specific firm.

**Re. Claim 11**, in which the assigned level of scope of application of an applied rule is set to the global level.

**Re. Claim 12**, in which a rule is accompanied by a message to be sent when a rule is violated.

**Re. Claim 13**, in which the text of said message can be changed by a user for a selected level.

Therefore, it would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have used the disclosure of Stein and AAPA to produce Applicant's invention of a method, system, device, apparatus and program storage device for processing a transaction containing an order for execution, motivated by a desire to create a unified infrastructure for control and data transfer to a plurality of function and task specific applications (Stein, Col. 2, ll. 18-21).

### ***Response to Arguments***

5. Applicant's arguments filed January 8, 2008 with respect to claims 6-13, 16, 17, 22 and 24 have been considered but they are not persuasive.

**ARGUMENT A:**     Re. independent claims 6, 22 and 24: "... it is not seen where Stein actually discloses that a transaction approval/disapproval rule is assigned a level of scope of applicability regarding transaction source, from a plurality of preset levels of scope of applicability, based on a user setting. The sections of Stein cited in the rejection provide only references to the CCID and general references to rules. The Action has not explained how such discussions satisfy claim requirements regarding scope of applicability based on transaction source or requirements that such a level of scope of applicability for a rule is set by a user. " (p. 10, ll. 17-23).

Re. independent claim 16: "It is respectfully submitted that one of skill in the art would not have been taught by Stein to provide a user settable level of scope of application with regard to transaction source, for a transaction approval/disapproval none of the modifications or combination proposed in the art rejections would result in a method in which the checking to determine whether or not to execute the order contained in the transaction involves (1) applying rules having application scope specifying a specific account, (2) then applying rules having application scope specifying a specific registered representative, (3) then applying rules having application scope specifying a specific office, (4) then applying rules having application scope specifying a specific firm and (5) then applying rules having application scope applicable to transactions from all sources." (p. 13, ll. 20-26; p. 12, l. 20 – p. 14, l. 3).

**RESPONSE:**         Stein discloses a hierarchical rule system and method (col. 3, l. 36). Stein further discloses "scope of applicability based on transaction source or requirements that such a level of scope of applicability for a rule is set by a user" in Col. 4, ll. 43-65. Here, the FSP establishes the rules applying to a particular client in the required hierarchical context of the system. It would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention, using his personal knowledge of how the financial asset trading and management industry works, to apply all the appropriate rules, including rules hierarchies, to a given client situation and set of facts and experiences over time, and to make appropriate revisions over time through an authorized user.

**ARGUMENT B:** “The addition based on Official Notice would not be sufficient to overcome the failure of Stein, as applied to claims 6, 22 and 24. The Action used Official Notice with respect to alleged prior art knowledge of levels of scope of application to a specific account, a specific registered representative, a specific office, a specific firm, and a global level. It is respectfully submitted that, although data regarding such items as the account, the registered representative, the office/firm or global level of a transaction were known, use thereof as a level of scope of applicability of a rule to apply to the transaction was not. Such scope of applicability to these levels certainly is not taught expressly by Stein, as apparently recognized by the Examiner. If there is some evidence on this point, it is incumbent on the Examiner to come forward with the evidence, to allow Applicants a meaningful opportunity to respond and to create a complete record for purposes of Appeal if necessary. The vague reliance on Official Notice does not provide the requisite level of evidence. Hence, the rejection over Stein and Official Notice also is improper and should be withdrawn.” (.p 11, L. 17 – p. 18, l. ).

**RESPONSE:**

(1) The examiner did not and does not use Official Notice in the rejection of independent claims 6, 22 and 24, as argued by Applicant. As permitted by the MPEP, the examiner used Official Notice in the rejection of dependent claims 7 -13 in order to save time regarding these well known features which Applicant admits. As stated above, these features have now become Applicant Admitted Prior Art (AAPA).

(2) These admitted features, of which Applicant mentions a selection (account, the registered representative, the office/firm or global level of a transaction were known). Stein teaches and suggests and implies the use of these features by the ordinary practitioner who would have understood the workings of the financial asset trading and management industry at the time of Applicant’s invention. It is not necessary in a rejection under the obviousness statute that the reference explicitly teach every limitation element in a claim if the examiner determines that the ordinary practitioner would have understood the combination of teachings, suggestions and implications and



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the application of common sense based on what they would have suggested to him to solve the problem he has set out to solve.

This set of examination rules has been reinforced by the April 2007 decision by the US Supreme Court in the KSR case, summarized as follows:

The Court noted that “[t]o facilitate review, this analysis should be made explicit. *Id.* (citing *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006)) (“[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness”). However, “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *Id.* at 1741, 82 USPQ2d at 1396.

In the instant case, the examiner has followed these guidelines. Stein discloses, suggests and implies this information to the ordinary practitioner by listing some of the entities in numerous places, including in col. 3, ll. 33-38, 44-47 (relationships between and among all of the entities in the database), and Col. 4, ll. 7-19, 43-65 (Preferably, the Profile includes all of the relationships in which any particular CCID participates”, col. 4, ll. 64-65).

**ARGUMENT C:** Applicant’s argument regarding Lutnick is moot since Applicant has cancelled claim 26 in whose rejection Lutnick was applied by the examiner in the last Office Action.

### ***Conclusion***

7. Applicant’s amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not

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mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Alexander Kalinowski, can be reached on (571) 272-6771.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

*Commissioner of Patents and Trademarks, Washington D.C. 20231*

or (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

(571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

June 2, 2008

/Narayanswamy Subramanian/  
Primary Examiner, Art Unit 3691